

COMMISSIONERS APPROVAL

ROKOSCH

GRANDSTAFF

THOMPSON

CHILCOTT

DRISCOLL

PLETTENBERG (Clerk & Recorder)

Date.....August 27, 2007

Members Present.....Commissioner Jim Rokosch,
Commissioner Carlotta Grandstaff, Commissioner Alan Thompson and Commissioner
Kathleen Driscoll

Minutes: Beth Farwell

Commissioner Chilcott attended JPT meeting in Polson.

The Board met to approve the Department of Public Health Contract for Emergency Preparedness and Training. **Commissioner Thompson made a motion to approve the Department of Public Health Contract for Emergency Preparedness and Training as presented. Commissioner Grandstaff seconded the motion, all voted 'aye'.**

The Board met with Dave Bull from Forest Service for a fire update. Present were Ron Nicholas and Erik Hoover of Office of Emergency Management.

Dave presented an updated map to the Board of the fire activity of the Rombo Mountain Fire. Dave explained Rombo will be a fire that burns until there is a change of weather. It is not a rapidly moving fire.

Dave presented another map of the Montana/Idaho boarder. It showed fire activity in Idaho. Dave gave an update for the Rat Creek and Sawmill Creek fires. The weather had been cooperating for the firefighters however, continued wind and dry weather is a concern.

Minutes: Glenda Wiles

The Board met to discuss and decide on a line of credit for Park District #2 (Aquatic Facility). Present at this meeting were members of the Aquatic Facility Board; Alice Christianson, Larry Milles, Terry Towner and Dusty Williams; Civil Counsel Alex Beal; Treasurer JoAnne Johnson; and Farmers State Bank Commercial Lender Ken Senn.

A recap of Friday's meeting of August 24, 2007, took place. Alice stated the Park District received approval of a new bond which will give them \$100,000 more in tax collections each year. However, that money will not come in until December. Currently their maintenance money is only \$75,000 per year. This additional \$100,000 will give them \$175,000 in maintenance monies, and should clear up the debt and pay any monies they need to borrow on the line of credit they are requesting from Farmers State Bank. Dusty stated they worked with retired business owners in order to help them with their budgeting issues. He stated the cost of auditors is expensive and they have recently switched auditors. Larry stated they were not happy with the previous auditors, not only the costs but the information they were given. Alice stated their 'money crunch' lasts until December when the new bond monies come in. Larry stated they felt a line of credit would be better as they would only need to draw out what they need until the funds come in. They could also utilize the line of credit as a reserve in case they had any equipment failure. Dusty felt they should only need \$16,000 on this line of credit and Ken suggested they obtain a \$25,000 line of credit. Dusty stated next year they should not have any 'money crunches' as they will have enough maintenance funding. They do not want to shut the pool down like they did last fall. The pool is utilized six days a week.

JoAnne stated they normally get over one half of their collections in November/December. The balance of those taxes collected comes in May.

Commissioner Grandstaff asked Alex about a line of credit versus a loan line. Alex stated the Aquatic Facility does not have the ability to borrow money on their own. The money must flow through the Commissioners, thus if there is a default, the responsibility is with the Commissioners. Loans are shorter with a fixed period of time. He would not like to see this line of credit be long term; it needs to be a short term loan. Larry stated this line of credit is only for one year. Then they would need to reapply. They do not plan to reapply as they hope to have enough money. Alex stated the loan should be for a short term note, as it makes it a 'cleaner note'. Anything beyond that is not simple since the Commissioners are going to be responsible. He stated the Aquatic Facility should build a reserve fund, and they should not have a line of credit as the statutes do not provide for that type of long term loan. Dusty stated if they lose a pump they have a problem because the pool is used everyday. Alice stated next year they should have a reserve for any breakdown that might occur.

Commissioner Grandstaff stated all offices struggle until the taxes are collected. Alex stated this line of credit is a good idea but it is outside the law and his and George's opinion is that this be a short term loan with a beginning and ending date, not a line of credit that lasts for a year.

Ken stated they could do a line of credit with a closed maturity date of December or January. He stated this type of line of credit is like an agricultural loan; as you draw monies, it continues to go down not go back up to the total amount. He arrived at the \$25,000 figure due to the current bills and repair bill. The interest rate is 7.05%.

Discussion of line of credit versus borrowing Intercap monies took place as well as a discussion of the monies that were borrowed last year. Commissioner Rokosch asked Glenda about Intercap loans and if they would be setting precedence by borrowing from a private institution. Glenda stated the Intercap Loans are for long term, and are not meant for short turn around loans, and the County has borrowed money from private institutions such as the First Interstate Bank Center at the Fairgrounds.

Larry stated they felt the loan last year from the Park Board was not a happy process; thus they sought to seek a line of credit in order to be responsible for themselves. Dusty stated as business people they feel comfortable utilizing a line of credit. Dusty stated the Pool Manager and Accounts Payable Employee handles the books, but they utilize a CPA for assistance. Their bank account is with Farmers Bank.

JoAnne stated December is a heavy tax collection period and she would suggest the end of January be the term date on the line of credit. Ken stated they could have a closed end line of credit payment of 1/28/08 with simple interest and principal as opposed to a monthly payment. He would need direction on who can ask for the draw.

Commissioner Thompson stated the Commissioners have control over the tax monies coming into the county, so if the Park District does not pay the line of credit, the county would not give them their collected tax money. He stated they must follow the law and hopes this levy will take care of their financial problems.

Commissioner Grandstaff made a motion to allow the Commissioners to apply for a closed end line of credit for \$25,000 on behalf of the Aquatic facility with an ending date of 1/28/08. Commissioner Driscoll seconded the motion and all voted "aye".

Glenda will email Ken the minutes which will suffice for his approval. Discussion included what persons would be able to request the draws. Commissioner Grandstaff does not mind having the aquatic facility check signers (Scott, Dusty, Alice or Terry) be the persons who can request the draws, thus not having the Commissioners be responsible for any signatures.